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Nitze-Stagen, Daniels form VC firm to invest in green-building startups

Kevin Daniels compared Nitze-Stagen Capital with the farm-to-table food movement. The firm will nurture local startups and get access to the products and services they create.

By NAT LEVY
Journal Staff Reporter

Before they got into doing big real estate projects like Starbucks Center and Union Station, Frank Stagen and Peter P. Nitze started off as small investors.

They founded Nitze-Stagen & Co. in 1970 after leaving a large New York firm, and invested funds contributed by friends and family.

Now Nitze is going back to those roots by starting a new company with his son, Peter A. Nitze, and Kevin Daniels, president of sister company Daniels Real Estate.

The new company is Nitze-Stagen Capital Partners, a venture capital firm with a focus on local startups that produce green-building materials or services.

Peter A. Nitze will head the firm, and he brings a background in tech startups. The firm will work closely with the startups, and will only take on a few at a time.

Investments initially are likely to be \$1 million to \$2 million. Peter A. Nitze said he would like to do three or four in the next 12 to 18 months.

He said the new company will continue the work Daniels Real Estate and Nitze-Stagen have done to revitalize neighborhoods like Sodo, but focus on the energy efficiency of buildings.

“There are genes within Nitze-Stagen and Daniels Real Estate in helping build communities and neighborhoods,” Peter A. Nitze said. “My personal interest lies in extending that legacy into the area of not just focusing on the built environment but what you do with that space, and how you can help contribute to communities by fostering the growth of exciting emerging companies.”

He said Seattle is a hotbed for innovative green-building systems like electrochromic glass, lighting, environmental control systems, living roofs and wastewater systems.

Daniels said he sees the new firm as a way to build relationships with local startups. The new companies get the benefit of working with developers who can test, critique and improve their

products and systems, and Daniels, who likes to focus on green building in his projects, will get more options to choose from.

He compared the philosophy of Nitze-Stagen Capital with the farm-to-table food movement, where restaurants support local farmers and get fresh produce.

“When I sit down with the design team and the development team, and we are doing the next building at say Stadium Place, we go all around the world to look for the best product,” he said. “Wouldn't it be even better if we were buying that product here in Seattle?”

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